

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF AMERICAN OPERATOR	)	
SERVICES, INC., FOR A CERTIFICATE OF	)	
CONVENIENCE AND NECESSITY TO PROVIDE	)	CASE NO. 10130
INTRASTATE OPERATOR ASSISTANCE RESOLD	)	
TELECOMMUNICATION SERVICES AS A	)	
NONDOMINANT CARRIER	)	

O R D E R

By Order dated January 31, 1989, the Commission required American Operator Services, Inc. ("AOSI") to appear at a hearing on February 10, 1989 and be prepared to show cause why it should not be required to refund charges collected for all intrastate services rendered in Kentucky prior to its certification or be otherwise fined pursuant to KRS 278.990 for violating provisions of KRS Chapter 278 including KRS 278.160. In the alternative, AOSI could file a refund plan by February 9, 1989 that would refund the entire amount collected by AOSI for intrastate services provided prior to certification. The refund plan was to be end-user specific and substantially conform to the plan submitted and approved by the Commission in Case No. 10002.<sup>1</sup>

On February 10, 1989, AOSI responded to the January 31, 1989 Order electing to forego the hearing and instead to file a refund

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<sup>1</sup> Case No. 10002, Application of International Telecharge, Inc., for a Certificate of Public Convenience and Necessity to Operate as a Reseller of Telecommunication Services Within the State of Kentucky, Order dated November 23, 1988.

plan with the Commission substantially in conformance with that plan submitted and approved by the Commission in Case No. 10002. AOSI requested and was granted an extension of time in which to file its full refund plan.

On February 24, 1989, AOSI filed its refund proposal. The approximate amount to be refunded is \$76,317. The proposal provides that AOSI will make end-user specific refunds for calls made by Kentucky residents that originated and terminated within Kentucky. The proposal requires that AOSI work with local exchange carriers in Kentucky to implement the refunds.

Having reviewed AOSI's proposal, the Commission is of the opinion and finds that AOSI should implement its proposal to provide end-user specific refunds. Further, the Commission is of the opinion that the refunds are necessitated by AOSI's violation of KRS 278.160 in that AOSI charged, demanded, collected, and received from persons a compensation for service rendered which was not prescribed in its filed schedules.

IT IS THEREFORE ORDERED that AOSI shall implement its proposal for end-user specific refunds and shall move expeditiously to accomplish the refund proposal and shall meet the following timing objectives and advise the Commission as to any delays that may effect implementation.

1. Within 30 business days of the date of this Order, AOSI shall provide Cincinnati Bell Telephone Company ("CBT"), on paper, with the billed account number in Kentucky and the amount to be credited to each number.

2. Within 30 business days of the date of this Order, AOSI shall provide GTE South Incorporated ("GTE") and South Central Bell Telephone Company ("SCB"), on magnetic tape, with the billed account number in Kentucky and will request the name and address corresponding to each such billed account number. Within 60 business days, but in no event more than 90 business days, of receiving this requested information AOSI will prepare refund checks and mail these checks to the Kentucky address and subscriber corresponding to the billed account number.

3. Within 30 business days of the date of this Order, AOSI shall provide the necessary information to the appropriate financial institutions, such as Master Card and Visa, in order to credit Kentucky subscribers for intrastate telephone calls transmitted by AOSI's network.

4. Within 10 days of the end of each calendar month following the date of this Order, AOSI shall file with this Commission and serve on each party to this case a written report detailing how AOSI has complied with the terms of this refund proposal in the preceding calendar month. Upon completion of the refunds, using the methods described in AOSI's proposal, AOSI shall report to the Commission the total amounts refunded through billed credits and direct payments to subscribers.

5. Within 10 days of the date of this Order, AOSI shall verify that it has no billing agreements with any local exchange companies in Kentucky but CBT, SCB, and GTE.

PUBLIC SERVICE COMMISSION

Chairman

Robert M. Davis  
Vice Chairman

*James H. Willes*  
Commissioner

**Executive Director**